

ENTERED

V I R G I N I A:

BEFORE THE VIRGINIA GAS AND OIL BOARD

APPLICANT: BUCHANAN PRODUCTION COMPANY) VIRGINIA GAS
) AND OIL BOARD
 RELIEF SOUGHT: POOLING OF INTERESTS IN A 58.78-)
 ACRE DRILLING UNIT DESCRIBED IN) DOCKET NO.
 EXHIBIT A HERETO LOCATED IN THE) 02-0618-1032
 NORA COALBED GAS FIELD AND SERVED)
 BY WELL CBM-BE101 (herein "Subject)
 Drilling Unit") PURSUANT TO VA)
 CODE §§ 45.1-361.21 AND)
 45.1-361.22, FOR THE PRODUCTION)
 OF OCCLUDED NATURAL GAS PRODUCED)
 FROM COALBEDS AND ROCK STRATA)
 ASSOCIATED THEREWITH (herein)
 collectively referred to as)
 "Coalbed Methane Gas" or "Gas"))
)
 LEGAL DESCRIPTION:)
)
 SUBJECT DRILLING UNIT SERVED BY WELL)
 NUMBER CMB-BE101 (herein "Well") TO BE DRILLED)
 IN THE LOCATION DEPICTED ON EXHIBIT A HERETO)
 HURRICANE MAGISTERIAL DISTRICT,)
 BIG A MOUNTAIN QUADRANGLE)
 BUCHANAN COUNTY, VIRGINIA)
 (the "Subject Lands" are more)
 particularly described on Exhibit)
 "A", attached hereto and made a)
 part hereof))

REPORT OF THE BOARDFINDINGS AND ORDER

1. Hearing Date and Place: This matter came on for final hearing before the Virginia Gas and Oil Board (hereafter "Board") at 9:00 a.m. on June 18, 2002, Southwest Virginia Higher Education Center, Campus of Virginia Highlands Community College, Abingdon, Virginia.

2. Appearances: Mark Swartz, Esquire, of Swartz & Stump, L.C., appeared for the Applicant and the Unit Operator. Sandra Riggs, Assistant Attorney General, was present to advise the Board.

3. Jurisdiction and Notice: Pursuant to Va. Code §§ 45.1-361.1 et seq., the Board finds that it has jurisdiction over the subject matter. Based upon the evidence presented by Applicant, the Board also finds that the Applicant has (1) exercised due diligence in conducting a search of the reasonably available sources to determine the identity and whereabouts of gas and oil owners, coal owners, mineral owners and/or potential owners, i.e., persons identified by Applicant as having ("Owner") or claiming ("Claimant") the rights to Coalbed Methane Gas in all below Pennsylvanian-aged coals from the top of the Raven, including all splits, to the top of the red and green shales (hereafter "Subject Formation") in Subject Drilling Unit underlying and comprised of Subject Lands; (2) represented it has given notice to those

parties (hereafter sometimes "person(s)" whether referring to individuals, corporations, partnerships, associations, companies, businesses, trusts, joint ventures or other legal entities) entitled by Va. Code §§ 45.1-361.19 and 45.1-361.22, to notice of the Application filed herein; and (3) that the persons set forth in Exhibit B-3 hereto are persons identified by Applicant through its due diligence who may be Owners or Claimants of Coalbed Methane Gas interests in Subject Formation, in Subject Drilling Unit underlying and comprised of Subject Lands, who have not heretofore agreed to lease or sell to the Applicant and/or voluntarily pool their Gas interests. Conflicting Gas Owners/Claimants in Subject Drilling Unit are listed on Exhibit E. Further, the Board has caused notice of this hearing to be published as required by Va. Code Ann. § 45.1-361.19.B. Whereupon, the Board hereby finds that the notices given herein satisfy all statutory requirements, Board rule requirements and the minimum standards of state due process.

4. Amendments: Exhibit A, Page 2; Application, Page 1; and Exhibit B-3.

5. Dismissals: See Exhibit B-2 hereto.

6. Relief Requested: Applicant requests (1) that pursuant to Va. Code § 45.1-361.22, including the applicable portions of Va. Code § 45.1-361.21, the Board pool all the rights, interests and estates in and to the Gas in Subject Drilling Unit, including the pooling of the interests of the Applicant, the Unit Operator, and of the known and unknown persons named in Exhibit B-3 hereto and that of their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, for the drilling and operation, including production, of Coalbed Methane Gas, produced from or allocated to the Subject Drilling Unit established for the Subject Formation underlying and comprised of the Subject Lands, (hereafter sometimes collectively identified and referred to as "well development and/or operation in the Subject Drilling Unit"), and (2) that the Board designate CONSOL Energy Inc. as Unit Operator.

7. Relief Granted: The Applicant's requested relief in this cause be and hereby is granted: (1) Pursuant to Va. Code § 45.1-361.21.C.3, CONSOL Energy Inc. (herein "Operator" or "Unit Operator") is designated as the Unit Operator authorized to drill and operate Coalbed Methane Gas well(s) in the Subject Drilling Unit at the location depicted on the plat attached hereto as Exhibit A, subject to the permit provisions contained in Va. Code § 45.1-361.27 et seq.; to the Nora Coal Bed Gas Field Rules established by the Oil and Gas Conservation Board's Order entered March 26, 1989; to § 4 VAC 25-150 et seq., Gas and Oil Regulations; and to §§ 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations, all as amended from time to time, and (2) all the interests and estates in and to the Gas in Subject Drilling Unit, including that of the Applicant, the Unit Operator, and of the known and unknown persons listed on Exhibit B-3, attached hereto and made a part hereof, and their known and unknown heirs, executors, administrators, devisees, trustees, assigns and successors, both immediate and remote, be and hereby are pooled in the Subject Formation in the Subject Drilling Unit underlying and comprised of the Subject Lands.

<u>Subject Formation</u>	<u>Unit Size</u>	<u>Permitted Well Location(s)</u>	<u>Field and Well Classification</u>	<u>Order Number</u>
All Pennsylvanian aged coals from the top of the Raven including all splits to the top of the green and red shales including, but not limited to Jawbone, Greasy Creek, C-Seam, War Creek, Beckley, Lower Horsepen, X-Seam, Poco No. 9, Poco No. 7, Poco No. 6, Poco No. 3, and any other unnamed coal seams, coal-beds, and rock strata, associated with the Nora Coal-bed Gas Field (Multiple Completion)	58.78 acre drilling unit.	Well CBM-BE101 (herein "Well") is to be drilled pursuant to Permit #5315 in Subject Drilling Unit to a depth of 2,375 feet at the location depicted on the Plat attached hereto as Exhibit A.	Nora Coal Bed Gas Field	OGCB Order for the Nora Coal Bed Gas Field entered March 26, 1989 as amended.

For the Subject Drilling Unit
underlying and comprised of the Subject
Land referred to as:

Unit Number BE-101
Buchanan County, Virginia

Pursuant to the Nora Coal Bed Gas Field Rules, the Board has adopted the following method for the calculation of production and revenue and allocation of allowable costs for the production of Coalbed Methane Gas.

For Frac Well Gas. - Gas shall be produced from and allocated to only the 58.78-acre drilling unit in which the Wells are located according to the undivided interests of each Owner/Claimant within the unit, which undivided interest shall be the ratio (expressed as a percentage) that the amount of mineral acreage within each separate tract that is within the Subject Drilling Unit, when platted on the surface, bears to the

total mineral acreage, when platted on the surface, contained within the entire 58.78-acre drilling unit in the manner set forth in the Nora Coal Bed Gas Field Rules.

8. Election and Election Period: In the event any Owner or Claimant named in Exhibit B-3 hereto does not reach a voluntary agreement to share in the operation of the well located in the Subject Drilling Unit, at a rate of payment mutually agreed to by said Gas Owner or Claimant and the Applicant or the Unit Operator, then such person named may elect one of the options set forth in Paragraph 9 below and must give written notice of his election of the option selected under Paragraph 9 to the designated Unit Operator at the address shown below within thirty (30) days from the date this Order is recorded in the county above named. A timely election shall be deemed to have been made if, on or before the last day of said 30-day period, such electing person has delivered his written election to the designated Unit Operator at the address shown below or has duly postmarked and placed its written election in first class United States mail, postage prepaid, addressed to the Unit Operator at the address shown below.

9. Election Options:

9.1 Option 1 - To Participate In The Development and Operation of the Drilling Unit: Any Gas Owner or Claimant named in Exhibit B-3 who does not reach a voluntary agreement with the Applicant or the Unit Operator may elect to participate in the development and operation of the Subject Drilling Unit (hereafter "Participating Operator") by agreeing to pay the estimate of such Participating Operator's proportionate part of the actual and reasonable costs of the development contemplated by this Order for Gas produced pursuant to the Middle Ridge I Field Rules, including a reasonable supervision fee, of the well development and operation in the Subject Drilling Unit, as more particularly set forth in Virginia Gas and Oil Board Regulation 4 VAC 25-160-100 (herein "Completed-for-Production Costs"). Further, a Participating Operator agrees to pay the estimate of such Participating Operator's proportionate part of the Completed-for-Production Cost as set forth below to the Unit Operator within forty-five (45) days from the later of the date of mailing or the date of recording of this Order. The Completed-for-Production Cost for the Subject Drilling Unit is as follows:

Completed-for-Production Cost: \$199,575.03

A Participating Operator's proportionate cost hereunder shall be the result obtained by multiplying the Participating Operators' "Percent of Unit" times the Completed-for-Production Cost set forth above. Provided, however, that in the event a Participating Operator elects to participate and fails or refuses to pay the estimate of his proportionate part of the Completed-for-Production Cost as set forth above, all within the time set forth herein and in the manner prescribed in Paragraph 8 of this Order, then such Participating Operator shall be deemed to have elected not to participate and to have elected compensation in lieu of participation pursuant to Paragraph 9.2 herein.

9.2 Option 2 - To Receive A Cash Bonus Consideration: In lieu of participating in the well development and operation of Subject Drilling Unit under Paragraph 9.1 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who does not reach a voluntary agreement with the Applicant or Unit Operator may elect to accept

a cash bonus consideration of \$1.00 per net mineral acre owned by such person, commencing upon entry of this Order and continuing annually until commencement of production from Subject Drilling Unit, and thereafter a royalty of 1/8th of 8/8ths [twelve and one-half percent (12.5%)] of the net proceeds received by the Unit Operator for the sale of the Coalbed Methane Gas produced from any Well development and operation covered by this Order multiplied by that person's Percent of Unit or proportional share of said production [for purposes of this Order, net proceeds shall be actual proceeds received less post-production costs incurred downstream of the wellhead, including, but not limited to, gathering, compression, treating, transportation and marketing costs, whether performed by Unit Operator or a third person] as fair, reasonable and equitable compensation to be paid to said Gas Owner or Claimant. The initial cash bonus shall become due and owing when so elected and shall be tendered, paid or escrowed within sixty (60) days of recording of this Order. Thereafter, annual cash bonuses, if any, shall become due and owing on each anniversary of the date of recording of this order in the event production from Subject Drilling Unit has not theretofore commenced, and once due, shall be tendered, paid or escrowed within sixty (60) days of said anniversary date. Once the initial cash bonus and the annual cash bonuses, if any, are so paid or escrowed, subject to a final legal determination of ownership, said payment(s) shall be satisfaction in full for the right, interests, and claims of such electing person in and to the Gas produced from Subject Formation in the Subject Lands, except, however, for the 1/8th royalties due hereunder.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.2, when so made, shall be satisfaction in full for the right, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to and hereby does lease and assign, its right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant.

- 9.3. Option 3 - To Share In The Development And Operation As A Non-Participating Person On A Carried Basis And To Receive Consideration In Lieu Of Cash: In lieu of participating in the development and operation of Subject Drilling Unit under Paragraph 9.1 above and in lieu of receiving a cash bonus consideration under Paragraph 9.2 above, any Gas Owner or Claimant named in Exhibit B-3 hereto who does not reach a voluntary agreement with the Applicant or Unit Operator may elect to share in the well development and operation in Subject Drilling Unit on a carried basis (as a "Carried Well Operator") so that the proportionate part of the Completed-for-Production Cost hereby allocable to such Carried Well Operator's interest is charged against such Carried Well Operator's share of production from Subject Drilling Unit. Such Carried Well Operator's rights, interests, and claims in and to the Gas in Subject Drilling Unit shall be deemed and hereby are assigned to the Applicant until the proceeds from the sale of such Carried Well Operator's share of production from Subject Drilling Unit (exclusive of any royalty, excess or overriding royalty, or other non-operating or non cost-bearing burden reserved in any lease, assignment thereof or agreement relating thereto covering

such interest) equals three hundred percent (300%) for a leased interest or two hundred percent (200%) for an unleased interest (whichever is applicable) of such Carried Well Operator's share of the Completed-for-Production Cost allocable to the interest of such Carried Well Operator. When the Applicant recoups and recovers from such Carried Well Operator's assigned interest the amounts provided for above, then, the assigned interest of such Carried Well Operator shall automatically revert back to such Carried Well Operator, and from and after such reversion, such Carried Well Operator shall be treated as if it had participated initially under Paragraph 9.1 above; and thereafter, such participating person shall be charged with and shall pay his proportionate part of all further costs of such well development and operation.

Subject to a final legal determination of ownership, the election made under this Paragraph 9.3, when so made, shall be satisfaction in full for the rights, interests, and claims of such electing person in any well development and operation covered hereby and such electing person shall be deemed to have and hereby does assign its rights, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant for the period of time during which its interest is carried as above provided prior to its reversion back to such electing person.

10. Failure to Properly Elect: In the event a person named in Exhibit B-3 hereto does not reach a voluntary agreement with the Applicant or Unit Operator and fails to elect within the time, in the manner and in accordance with the terms of this Order, one of the alternatives set forth in Paragraph 9 above for which his interest qualifies, then such person shall be deemed to have elected not to participate in the proposed well development and operation of Subject Drilling Unit and shall be deemed, subject to a final legal determination of ownership, to have elected to accept as satisfaction in full for such person's right, interests, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which its interest qualifies and shall be deemed to have leased and/or assigned his right, interests, and claims in and to the Gas produced from Subject Formation in the Subject Drilling Unit to the Applicant. Persons who fail to properly elect shall be deemed, subject to a final legal determination of ownership, to have accepted the compensation and terms set forth herein at Paragraph 9.2 in satisfaction in full for the right, interests, and claims of such person in and to the Gas produced from the Subject Formation underlying Subject Lands.

11. Default By Participating Person: In the event a person named in Exhibit B-3 elects to participate under Paragraph 9.1, but fails or refuses to pay, to secure the payment or to make an arrangement with the Unit Operator for the payment of such person's proportionate part of the Completed-for-Production Cost as set forth herein, all within the time and in the manner as prescribed in this Order, then such person shall be deemed to have withdrawn his election to participate and shall be deemed to have elected to accept as satisfaction in full for such person's right, interest, and claims in and to the Gas the consideration provided in Paragraph 9.2 above for which his interest qualifies depending on the excess burdens attached to such interest. Whereupon, any cash bonus consideration due as a result of such deemed election shall be tendered, paid or escrowed by Unit Operator within one hundred twenty (120) days after the last day on which such defaulting person under this Order should have paid his proportionate part of such cost or

should have made satisfactory arrangements for the payment thereof. When such cash bonus consideration is paid or escrowed, it shall be satisfaction in full for the right, interests, and claims of such person in and to the Gas underlying Subject Drilling Unit in the Subject Lands covered hereby, except, however, for any royalties which would become due pursuant to Paragraph 9.2 hereof.

12. Assignment of Interest: In the event a person named in Exhibit B-3 is unable to reach a voluntary agreement to share in the operation of the Wells contemplated by this Order at a rate of payment agreed to mutually by said Owner or Claimant and the Unit Operator, and such person elects or fails to elect to do other than participate under Paragraph 9.1 above in the well development and operation in Subject Drilling Unit, then subject to a final legal determination of ownership, such person shall be deemed to have and shall have assigned unto Applicant such person's right, interests, and claims in and to said Wells, and other share in production to which such person may be entitled by reason of any election or deemed election hereunder in accordance with the provisions of this Order governing said election.

13. Unit Operator (or Operator): CONSOL Energy Inc. be and hereby is designated as Unit Operator authorized to drill and operate the Well in Subject Formation in Subject Drilling Unit, all subject to the permit provisions contained in Va. Code §§ 45.1-361.27 et seq.; §§ 4 VAC 25-150 et seq., Gas and Oil Regulations; §§ 4 VAC 25-160 et seq., Virginia Gas and Oil Board Regulations; the Oil & Gas Conservation Board ("OGCB") Order establishing the Nora Coal Bed Gas Field entered March 26, 1989, all as amended from time to time, and all elections required by this Order shall be communicated to Unit Operator in writing at the address shown below:

CONSOL Energy Inc.
P. O. Box 947
Bluefield, VA 24605
Phone: (276) 988-1016
Fax: (276) 988-1055
Attn: Leslie K. Arrington

14. Commencement of Operations: Unit Operator shall commence or cause to commence operations for the drilling of the well covered hereby within seven hundred and thirty (730) days from the date of this Order and shall prosecute the same with due diligence. If Unit Operator shall not have so commenced and/or prosecuted, then this Order shall terminate, except for any cash sums becoming payable hereunder; otherwise, unless sooner terminated by Order of the Board, this Order shall expire at 12:00 p.m. on the date on which the well covered by this Order is permanently abandoned and plugged. However, in the event an appeal is taken from this Order, then the time between the filing of the Petition for Appeal and the Final Order of the Circuit Court shall be excluded in calculating the two-year period referenced herein.

15. Operator's Lien: Unit Operator, in addition to the other rights afforded hereunder, shall have a lien and a right of set off on the Gas estates, rights, and interests owned by any person subject hereto who elects to participate under Paragraph 9.1 in the Subject Drilling Unit to the extent that costs incurred in the drilling or operation on the Subject Drilling Unit are chargeable against such person's interest. Such liens and right of set off shall be separable as to each separate person and shall remain liens until the Unit Operator drilling or operating any of the Wells has been paid the full amounts due under the terms of this Order.

16. Escrow Provisions:

The Unit Operator represented to the Board that there are unknown or unlocatable claimants in Tract 3 of Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.1 hereof; and, the Unit Operator has represented to the Board that there are conflicting claimants in Tracts 2 and 3 of Subject Drilling Unit whose payments are subject to the provisions of Paragraph 16.2 hereof. Therefore, by this Order, the Board instructs the Escrow Agent named herein or any successor named by the Board to establish an interest-bearing escrow account for Tracts 2 and 3 of Subject Drilling Unit (herein "Escrow Account"), and to receive and account to the Board pursuant to its agreement for the escrowed funds hereafter described in Paragraphs 16.1 and 16.2:

First Union National Bank
Corporate Trust PA1328
123 South Broad Street
Philadelphia, PA 19109-1199
Telephone: (215) 985-3485 or (800) 665-9359
Attention: Don Ballinghoff

- 16.1. Escrow Provisions For Unknown or Unlocatable Persons: If any payment of bonus, royalty payment or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then such cash bonus, royalty payment, or other payment shall not be commingled with any funds of the Unit Operator and, pursuant to Va. Code Ann. § 45.1-361.21.D, said sums shall be deposited by the Unit Operator into the Escrow Account, commencing within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are being deposited. Such funds shall be held for the exclusive use of, and sole benefit of the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board in accordance with Va. Code § 45.1-361.21.D.
- 16.2 Escrow Provisions For Conflicting Claimants: If any payment of bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment due and owing under this Order cannot be made because the person entitled thereto cannot be made certain due to conflicting claims of ownership and/or a defect or cloud on the title, then such cash bonus, royalty payment, proceeds in excess of ongoing operational expenses, or other payment, together with Participating Operator's Proportionate Costs paid to Operator pursuant to Paragraph 9.1 hereof, if any, (1) shall not be commingled with any funds of the Unit Operator; and (2) shall, pursuant to Va. Code Ann. §§ 45.1-361.22.A.2, 45.1-361.22.A.3 and 45.1-361.22.A.4, be deposited by the Unit Operator into the Escrow Account within one hundred twenty (120) days of recording of this Order, and continuing thereafter on a monthly basis with each deposit to be made, by use of a report format approved by the Inspector, by a date which is no later than sixty (60) days after the last day of the month being reported and/or for which funds are subject to deposit. Such funds shall be held for the

exclusive use of, and sole benefit of, the person entitled thereto until such funds can be paid to such person(s) or until the Escrow Agent relinquishes such funds as required by law or pursuant to Order of the Board.

17. Special Findings: The Board specifically and specially finds:

- 17.1. Applicant is a Virginia general partnership composed of CONSOL Energy Inc, and Consolidation Coal Company. Applicant is duly authorized and qualified to transact business in the Commonwealth of Virginia;
- 17.2. CONSOL Energy Inc. has accepted Applicant's delegation of authority to explore, develop and maintain the properties and assets of Applicant now owned or hereafter acquired, has agreed to explore, develop and maintain the properties and assets of Applicant, and has consented to serve as Coalbed Methane Gas Unit Operator for Subject Drilling Unit and to faithfully discharge the duties imposed upon it as Unit Operator by statute and regulations;
- 17.3. CONSOL Energy Inc. is a Delaware corporation duly authorized to transact business in the Commonwealth of Virginia, is an operator in the Commonwealth of Virginia, and has satisfied the Board's requirements for operations in Virginia;
- 17.4. Applicant, Buchanan Production Company, claims ownership of gas leases, Coalbed Methane Gas leases, and/or coal leases representing 84.494639 percent of the oil and gas interest/claims in and to Coalbed Methane Gas and 100.00 percent of the coal interest/claims in and to Coalbed Methane Gas in Subject Drilling Unit, and Applicant claims the right to explore for, develop and produce Coalbed Methane Gas from Subject Formations in Oakwood Unit Number D-18 in Buchanan County, Virginia, which Subject Lands are more particularly described in Exhibit "A";
- 17.5. The estimated total production from Subject Drilling Unit is 125 to 550 MMCF. The estimated amount of reserves from the Subject Drilling Unit is 125 to 550 MMCF;
- 17.6. Set forth in Exhibit B-3 is the name and last known address of each Owner or Claimant identified by the Applicant as having or claiming an interest in the Coalbed Methane Gas in Subject Formation in Subject Drilling Unit underlying and comprised of Subject Lands, who has not, in writing, leased to the Applicant or the Unit Operator or agreed to voluntarily pool his interests in Subject Drilling Unit for its development. The interests of the Respondents listed in Exhibit B-3 comprise 15.505361 percent of the oil and gas interests/claims in and to Coalbed Methane Gas and 0.00 percent of the coal interests/claims in and to Coalbed Methane Gas in Subject Drilling Unit;
- 17.7. Applicant's evidence established that the fair, reasonable and equitable compensation to be paid to any person in lieu of the right to participate in the Wells are those options provided in Paragraph 9 above;

17.8. The relief requested and granted is just and reasonable, is supported by substantial evidence and will afford each person listed and named in Exhibit B-3 hereto the opportunity to recover or receive, without unnecessary expense, such person's just and fair share of the production from Subject Drilling Unit. The granting of the Application and relief requested therein will ensure to the extent possible the greatest ultimate recovery of Coalbed Methane Gas, prevent or assist in preventing the various types of waste prohibited by statute and protect or assist in protecting the correlative rights of all persons in the subject common sources of supply in the Subject Lands. Therefore, the Board is entering an Order granting the relief herein set forth.

18. Mailing Of Order And Filing Of Affidavit: Applicant or its Attorney shall file an affidavit with the Secretary of the Board within sixty (60) days after the date of recording of this Order stating that a true and correct copy of said Order was mailed within seven (7) days from the date of its receipt to each Respondent named in Exhibit B-3 pooled by this Order and whose address is known.

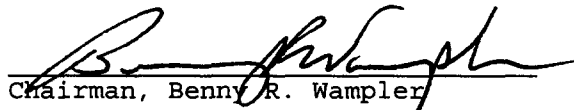
19. Availability of Unit Records: The Director shall provide all persons not subject to a lease with reasonable access to all records for Subject Drilling Unit which are submitted by the Unit Operator to said Director and/or his Inspector(s).

20. Conclusion: Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.


21. Appeals: Appeals of this Order are governed by the provisions of Va. Code Ann. § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court.

22. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 4th day of October, 2002, by a majority of the Virginia Gas and Oil Board.


Chairman, Benny R. Wampler

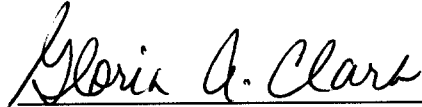
DONE AND PERFORMED this 8th day of October, 2002, by Order of this Board.


B. R. Wilson
Acting Principal Executive To The Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

BOOK 555 PAGE 559

Acknowledged on this 4th day of October, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.

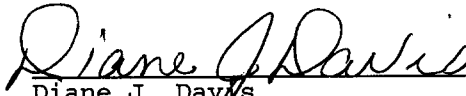


Gloria A. Clark
Notary Public

My commission expires December 31, 2002

STATE OF VIRGINIA)
COUNTY OF WASHINGTON)

Acknowledged on this 8th day of October, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.



Diane J. Davis
Notary Public

My commission expires September 30, 2005

PROPERTY LINES SHOWN WERE TAKEN FROM MAPS PROVIDED
BY CNX LAND RESOURCES, Inc. AND WERE NOT SURVEYED.

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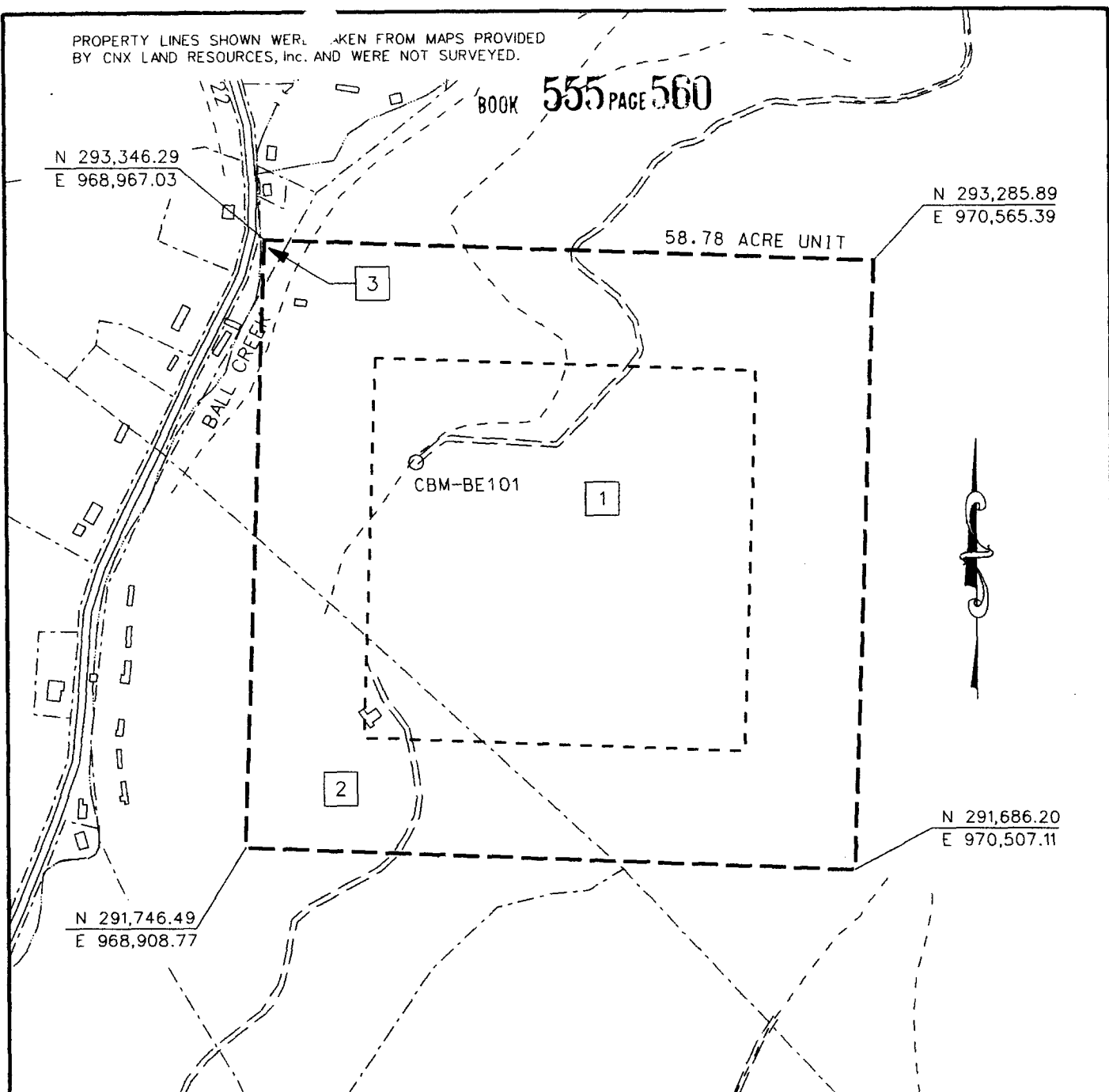


EXHIBIT A
NORA FIELD UNIT BE-101
FORCE POOLING
VGOB-02-0618-1032

Company CONSOL Energy Inc. Well Name and Number UNIT BE101
Tract No. _____ Elevation _____ Quadrangle Big A Mountain
County Buchanan District Hurricane Scale: 1" = 400' Date 5/16/03
This plat is a new plat X ; an updated plat _____ ; or a final plat No. 10958
Form DGO-GO-7 _____ (Affiant Seal)
Rev. 9/91 Claude D. Morgan
Licensed Professional Engineer or Licensed Land Surveyor

CONSOL ENERGY INC.

UNIT BE-101

**Tract Identifications
(58.78 Acre Unit)**

1. **Emory & Henry College - Fee
Pocahontas Gas Partnership - Oil, Gas & CBM Leased
49.57 acres 84.3314%**
2. **Harrison-Wyatt, LLC. (Big Axe Tr. 11-3) - Coal
Wellmore Coal Company - Above Drainage Coal Leased
Buchanan Production Company - CBM Leased
Carson D. Austin - Surface, Oil & Gas
9.11 acres 15.4985%**
3. **Harrison-Wyatt, LLC. (Big Axe Tr. 4) - Coal
Wellmore Coal Company - Above Drainage Coal Leased
Buchanan Production Company - CBM Leased
Lorraine Harris, et al. - Surface, Oil & Gas
Buchanan Production Company - Oil, Gas & CBM Leased
0.10 acres 0.1701%**

Exhibit B-2

Unit BE-101

VGOB 02-0618-1032

List of Respondents to be Dismissed
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit	Reason for Dismissal
II. OIL & GAS FEE OWNERSHIP			
<u>Tract #3 - 0.10 acres</u>			
Lorraine Harris, et al.	0.10 acres	0.17013%	
(1) Lorraine Harris Rt.2 Box 465 Honaker, VA 24260	0.09 7/8 of 0.10 acres	0.148860%	Leased
(2) Martha Ball Heirs, Devisees, Successors or Assigns	0.01 1/8 of 0.01 acres	0.021266%	
(1) Catherine & Henry Baldwin Heirs, Devisees, Successors or Assigns			
(h) Zethie Ethel Baldwin-Lee 1016 South Market Street Galion, OH 44833	0.0002315 1/54 of 0.01 acres	0.000394%	Leased
(3) Virgie & Richard Rasnake Heirs, Devisees, Successors or Assigns			
(e) Sophia Ruth Stanley Heirs, Devisees, Successors or Assigns			
(e.3) Gladys Dampman 5004 South Woodlawn Chicago, IL 60615	0.0000521 1/240 of 0.01 acres	0.000089%	Leased
(e.8) Velma Demasi 539 Oxford Avenue Akron, OH 44310	0.0000521 1/240 of 0.01 acres	0.000089%	Leased

Exhibit B-3
Unit BE-101
VGOB 02-0618-1032
List of Unleased Owners/Claimants
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit
II. OIL & GAS FEE OWNERSHIP		
<u>Tract #2 - 9.11 acres</u>		
(1) Carson D. Austin HC4 Box 25 Honaker, VA 24260	9.11 acres	15.4985%
<u>Tract #3 - 0.10 acres</u>		
Lorraine Harris, et al.	0.10 acres	0.17013%
(2) Martha Ball Heirs, Devisees, Successors or Assigns	0.01 1/8 of 0.01 acres	0.021266%
(1) Catherine & Henry Baldwin Heirs, Devisees, Successors or Assigns		
(a) Hazel & Reason Musick Rt.1 Box 105 Lebanon, VA 24266	0.0002315 1/54 of 0.01 acres	0.000394%
(d) Andrew Clarence Baldwin Heirs, Devisees, Successors or Assigns		
(d.1) Shirley & Ralph Chambers Rt.2 Box 124 Pounding Mill, VA 24637	0.0001157 1/108 of 0.01 acres	0.000197%
(d.2) Roger Baldwin 103 Shannon Heights Richlands, VA 24641	0.0001157 1/108 of 0.01 acres	0.000197%
(e) Balford Horn Rt.2 Box 317 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(f) Virgie Hubbard 2 Whirlaway Court Greenville, SC 29602	0.0002315 1/54 of 0.01 acres	0.000394%
(g) Winfred Baldwin Heirs, Devisees, Successors or Assigns		
(g.1) Janet & Arthur King Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.2) Nancy Baldwin Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.3) Linda Johnson Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.4) Kenneth Baldwin Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(g.5) Tammy Osbourne Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%

Exhibit B-3
Unit BE-101
VGOB 02-0618-1032
List of Unleased Owners/Claimants
(58.78 Acre Unit)

BOOK 555 PAGE 564

	Acres in Unit	Percent of Unit
(g.6) Angela Baldwin Address Unknown	0.0000386 1/324 of 0.01 acres	0.000066%
(2) James Harvey Ball Heirs, Devisees, Successors or Assigns		
(a) Cleveland Ball Heirs, Devisees, Successors or Assigns		
(a.3) Clyde Ball 813 Fields Avenue Frankford, KY 40601	0.0001302 1/96 of 0.01 acres	0.000222%
(b) Nola Mae & Jim Comer Heirs, Devisees, Successors or Assigns		
(b.1) Jerrold & Louise Dowell 3601 Level Village Road Havre De Grace, MD 21078	0.0001042 1/120 of 0.01 acres	0.000177%
(b.2) Harvey Comer 1559 Arena Road Darlington, MD 21034	0.0001042 1/120 of 0.01 acres	0.000177%
(b.4) Stella & Robert Miller 1616 Pode Road Darlington, MD 21034	0.0001042 1/120 of 0.01 acres	0.000177%
(b.5) Arbutus & William Helton 5808 Hanna Road Eldersburg, MD 21784	0.0001042 1/120 of 0.01 acres	0.000177%
(3) Virgie & Richard Rasnake Heirs, Devisees, Successors or Assigns		
(d) Edna & Monroe Barton Address Unknown	0.0004167 1/30 of 0.01 acres	0.000709%
(5) Elbert & Rosa Ball Heirs, Devisees, Successors or Assigns		
(a) Arnold Ball Address Unknown	0.0006944 1/18 of 0.01 acres	0.001181%
(c) Lula Ball Harris Heirs, Devisees, Successors or Assigns		
(c.1) Bonnie Austin HC65 Box 110 Rowe, VA 24646	0.0000868 1/144 of 0.01 acres	0.000148%
(c.4) Molly Harris c/o Lonnie Harris RR4 Box 174A Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%

Exhibit B-3
Unit BE-101
VGOB 02-0618-1032
List of Unleased Owners/Claimants
(58.78 Acre Unit)

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	Acres in Unit	Percent of Unit
(c.5) Lonnie Harris RR4 Box 174A Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.6) Pleasant Harris c/o Robin McCraw, Social Worker Southwestern VA Mental Health Institute 340 Bagley Circle Marion, VA 24354	0.0000868 1/144 of 0.01 acres	0.000148%
(c.7) Helen Harris P.O. Box 1472 Honaker, VA 24260	0.0000868 1/144 of 0.01 acres	0.000148%
(c.8) Tracie (Patricia) Hess 4010 McIntosh Street Greensboro, NC 27407	0.0000868 1/144 of 0.01 acres	0.000148%
(f) Gracie & Hulett Johnson Address Unknown	0.0006944 1/18 of 0.01 acres	0.001181%

Exhibit E
Unit BE-101
VGOB 02-0618-1032

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List of Conflicting Owners/Claimants that require escrow
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
<u>Tract #2 - 9.11 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.11-3) c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	9.11 acres	15.4985%
<u>OIL & GAS FEE OWNERSHIP</u>		
(1) Carson D. Austin HC4 Box 25 Honaker, VA 24260	9.11 acres	15.4985%
<u>Tract #3 - 0.10 acres</u>		
<u>COAL FEE OWNERSHIP</u>		
(1) Harrison-Wyatt, L.L.C. (Big Axe Tr.4) c/o Wyatt Buick Pontiac P.O. Box 11000 Danville, VA 24543	0.10 acres	0.1701%
<u>OIL & GAS FEE OWNERSHIP</u>		
Lorraine Harris, et al.	0.10 acres	0.17013%
(1) Lorraine Harris Rt.2 Box 465 Honaker, VA 24260	0.09 7/8 of 0.10 acres	0.148860%
(2) Martha Ball Heirs, Devisees, Successors or Assigns	0.01 1/8 of 0.01 acres	0.021266%
(1) Catherine & Henry Baldwin Heirs, Devisees, Successors or Assigns		
(a) Hazel & Reason Musick Rt.1 Box 105 Lebanon, VA 24266	0.0002315 1/54 of 0.01 acres	0.000394%
(b) Bertie Lester Rt.2 Box 482 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(c) Ruby & Thomas Mitchell Rt.2 Box 450 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(d) Andrew Clarence Baldwin Heirs, Devisees, Successors or Assigns		
(d.1) Shirley & Ralph Chambers Rt.2 Box 124 Pounding Mill, VA 24637	0.0001157 1/108 of 0.01 acres	0.000197%

**Exhibit E
Unit BE-101
VGOB 02-0618-1032**

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**List of Conflicting Owners/Claimants that require escrow
(58.78 Acre Unit)**

	Acres in Unit	Percent of Unit
(d.2) Roger Baldwin 103 Shannon Heights Richlands, VA 24641	0.0001157 1/108 of 0.01 acres	0.000197%
(e) Balford Horn Rt.2 Box 317 Honaker, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(f) Virgie Hubbard 2 Whirlaway Court Greenville, SC 29602	0.0002315 1/54 of 0.01 acres	0.000394%
(g) Winfred Baldwin Heirs, Devisees, Successors or Assigns		
(g.1) Janet & Arthur King <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g.2) Nancy Baldwin <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g.3) Linda Johnson <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g.4) Kenneth Baldwin <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g.5) Tammy Osbourne <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g.6) Angela Baldwin <i>Address Unknown</i>	0.0000386 1/324 of 0.01 acres	0.000066%
(g) Ezra Baldwin HC4 Box 202 Council, VA 24260	0.0002315 1/54 of 0.01 acres	0.000394%
(h) Zethie Ethel Baldwin-Lee 1016 South Market Street Galion, OH 44833	0.0002315 1/54 of 0.01 acres	0.000394%
(2) James Harvey Ball Heirs, Devisees, Successors or Assigns		
(a) Cleveland Ball Heirs, Devisees, Successors or Assigns		
(a.1) Judy Pelley 2315 Overland Avenue Sinking Springs, PA 19608	0.0001302 1/96 of 0.01 acres	0.000222%
(a.2) Roger Ball 1776 Belvidere Road Port Deposit, MD 21904	0.0001302 1/96 of 0.01 acres	0.000222%
(a.3) Clyde Ball 813 Fields Avenue Frankford, KY 40601	0.0001302 1/96 of 0.01 acres	0.000222%

List of Conflicting Owners/Claimants that require escrow
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
(a.4) Ernie Ball Foxwood Drive Hendersonville, NC 28739	0.0001302 1/96 of 0.01 acres	0.000222%
(b) Nola Mae & Jim Comer Heirs, Devisees, Successors or Assigns		
(b.1) Jerrold & Louise Dowell 3601 Level Village Road Havre De Grace, MD 21078	0.0001042 1/120 of 0.01 acres	0.000177%
(b.2) Harvey Comer 1559 Arena Road Darlington, MD 21034	0.0001042 1/120 of 0.01 acres	0.000177%
(b.3) Marvin Comer 123 Montrose Avenue Essex, MD 21221	0.0001042 1/120 of 0.01 acres	0.000177%
(b.4) Stella & Robert Miller 1616 Pode Road Darlington, MD 21034	0.0001042 1/120 of 0.01 acres	0.000177%
(b.5) Arbutus & William Helton 5808 Hanna Road Eldersburg, MD 21784	0.0001042 1/120 of 0.01 acres	0.000177%
(c) Roy Ball 624 Old Robinhood Road Aberdeen, MD 21001	0.0005208 1/24 of 0.01 acres	0.000886%
(d) Myrtle Settle 172 Glendale Drive Elkin, NC 28621	0.0005208 1/24 of 0.01 acres	0.000886%
(3) Virgie & Richard Rasnake Heirs, Devisees, Successors or Assigns		
(a) Dorothy Fay Long 2370 Happy Lane Jacksonville, FL 32218	0.0004167 1/30 of 0.01 acres	0.000709%
(b) Ervin Finley Rasnake 2370 Happy Lane Jacksonville, FL 32218	0.0004167 1/30 of 0.01 acres	0.000709%
(c) Clifford Rasnake 2370 Happy Lane Jacksonville, FL 32218	0.0004167 1/30 of 0.01 acres	0.000709%
(d) Edna & Monroe Barton Address Unknown	0.0004167 1/30 of 0.01 acres	0.000709%
(e) Sophia Ruth Stanley Heirs, Devisees, Successors or Assigns		

Exhibit E
Unit BE-101
VGOB 02-0618-1032
List of Conflicting Owners/Claimants that require escrow
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
(e.1) Oakey Stanley Rt.1 Box 17D Bruceeton Mills, WV 26525	0.0000521 1/240 of 0.01 acres	0.000089%
(e.2) Susie Ballard 10338 Sling Gap Road Bent Mountain, VA 24059	0.0000521 1/240 of 0.01 acres	0.000089%
(e.3) Gladys Dampan 5004 South Woodlawn Chicago, IL 60615	0.0000521 1/240 of 0.01 acres	0.000089%
(e.4) Virginia Hankins P.O. Box 445 Rupert, WV 25984	0.0000521 1/240 of 0.01 acres	0.000089%
(e.5) Melvin Stanley P.O. Box 261 Rupert, WV 25984	0.0000521 1/240 of 0.01 acres	0.000089%
(e.6) Shelia R. Lewis Box 165 Sifers Road Meadow Bridge, WV 25976	0.0000521 1/240 of 0.01 acres	0.000089%
(e.7) Richard Stanley P.O. Box 261 Rupert, WV 25984	0.0000521 1/240 of 0.01 acres	0.000089%
(e.8) Velma Demasi 539 Oxford Avenue Akron, OH 44310	0.0000521 1/240 of 0.01 acres	0.000089%
(4) Synthia & Silas Broyles Heirs, Devisees, Successors or Assigns		
(a) Audrey Alene Broyles Wheat 4029 Gravey Hill Havre De Grace, MD 21078	0.0020833 1/6 of 0.01 acres	0.003544%
(5) Elbert & Rosa Ball Heirs, Devisees, Successors or Assigns		
(a) Arnold Ball <i>Address Unknown</i>	0.0006944 1/18 of 0.01 acres	0.001181%
(b) Viola Ball Gynn Box 264H Honaker, VA 24620	0.0006944 1/18 of 0.01 acres	0.001181%
(c) Lula Ball Harris Heirs, Devisees, Successors or Assigns		
(c.1) Bonnie Austin HC65 Box 110 Rowe, VA 24646	0.0000868 1/144 of 0.01 acres	0.000148%

Exhibit E
Unit BE-101
VGOB 02-0618-1032

List of Conflicting Owners/Claimants that require escrow
(58.78 Acre Unit)

	Acres in Unit	Percent of Unit
(c.2) Maudie Harris P.O. Box 1003 Cedar Bluff, VA 24609	0.0000868 1/144 of 0.01 acres	0.000148%
(c.3) Betty Johnson HI Box 14 Fox Meadows Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.4) Molly Harris c/o Lonnie Harris RR4 Box 174A Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.5) Lonnie Harris RR4 Box 174A Lebanon, VA 24266	0.0000868 1/144 of 0.01 acres	0.000148%
(c.6) Pleasant Harris c/o Robin McCraw, Social Worker Southwestern VA Mental Health Institute 340 Bagley Circle Marion, VA 24354	0.0000868 1/144 of 0.01 acres	0.000148%
(c.7) Helen Harris P.O. Box 1472 Honaker, VA 24260	0.0000868 1/144 of 0.01 acres	0.000148%
(c.8) Tracie (Patricia) Hess 4010 McIntosh Street Greensboro, NC 27407	0.0000868 1/144 of 0.01 acres	0.000148%
(d) William F. & Beulah Ball 407 Carsons Run Road Aberdeen, MD 21001	0.0006944 1/18 of 0.01 acres	0.001181%
(e) Paul & Mary Baldwin P.O. Box 3132 Lebanon, VA 24266	0.0006944 1/18 of 0.01 acres	0.001181%
(f) Gracie & Hulett Johnson Address Unknown	0.0006944 1/18 of 0.01 acres	0.001181%

VIRGINIA: In the Clerk's Office of the Circuit Court of Buchanan County. The foregoing instrument was this day presented in the office aforesaid and is, together with the certificate of acknowledgment annexed, admitted to record this 9th day of October, 20 02 10:12 A. M.
Deed Book No. 555 and Page No. 599.
Returned to: Diana Davis TESTE: James M. Bevins, Jr., Clerk
TESTE: Shirley S. Miller Deputy Clerk

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Bu

BY: _____

INSTRUMENT #020007722
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
OCTOBER 01, 2002 AT 10:42AM
JAMES M. BEVINS JR., CLERK



COMMONWEALTH OF VIRGINIA



OFFICIAL RECEIPT
BUCHANAN COUNTY CIRCUIT COURT
DEED RECEIPT

DATE: 10/09/02 TIME: 10:13:13 ACCOUNT: 0270L0200003722 RECEIPT: 0200000515P
 CASHIER: AKT RES: 2001 TYPE: CDD PAYMENT: FULL PAYMENT
 INSTRUMENT: 020003722 BOOK: PAGE: RECORDED: 10/09/02 AT 10:13
 GRANTOR: VIRGINIA GAS AND OIL BOARD EX: N LCC: CC
 GRANTEE: BUCHANAN PRODUCTION CO EX: N PCT: 100%
 AND ADDRESS:
 RECEIVED OF: DEPT MINES MINERALS ENERGY
 CHECK: \$25.00
 DESCRIPTION 1: 3 PERMITS PAGES: 0
 2: BATCH RECEIPT: 020003722 THRU 020003724 NAMES: 0
 CONSIDERATION: .00 ASSUME/VAL: .00 MAP: PAID
 CODE DESCRIPTION PAID CODE DESCRIPTION PAID
 201 DEEDS 25.00
 TENDERED: 25.00
 AMOUNT PAID: 25.00
 CHANGE AMT: .00

CLERK OF COURT: JAMES M. BEVINE JR.